

**DRAFT VERSION – MINUTES OF THE INVESTMENT ADVISORY COUNCIL MEETING
WEDNESDAY, JULY 8, 2015– SUBJECT TO REVIEW AND APPROVAL
FINAL VERSION OF THESE MINUTES WILL BE POSTED AFTER APPROVAL OF THE INVESTMENT
ADVISORY COUNCIL AT THE NEXT MONTHLY MEETING, WHICH WILL BE HELD ON
WEDNESDAY, SEPTEMBER 9, 2015**

MEETING NO. 425

Members present:

Janice (Jan) Carpenter
Laurence Hale
David (Duke) Himmelreich
Steven Muench
William Murray
Denise L. Nappier, Treasurer
Carol Thomas, Interim Chair
Peter Thor

Absent:

Thomas Fiore, representing Benjamin Barnes
Joshua Hall

Others present:

Christine Shaw, Deputy Treasurer
Deborah Spalding, Interim Chief Investment Officer
David Barrett, Director of Communications
Joanne Dombrosky, Principal Investment Officer
Wayne Hypolite, Executive Assistant
Harvey Kelly, Pension Fund Analyst
Catherine LaMarr, Legal Counsel
Christina McGinnis, Executive Secretary
Michael Terry, Principal Investment Officer
Linda Tudan, Executive Assistant

Guests:

Claybourne Coutts, Intern
Breana Green, Intern
Eduardo Gonzalez, Edgon Financial LLC
Jasmyn Holmes-Spruell, Intern
Mark Johnson, Cliffwater LLC
Jim Kane, Unite Here
Vignesh Krishna Kumar, Intern
Kristine O'Connor, Franklin Park Associates
Claire Shaugnessy, AonHewitt Investment Consulting
Liz Smith, Alliance Bernstein
Kanzanira Thornington, Intern

With a quorum present, Interim Chair Carol Thomas called the Investment Advisory Council (“IAC”) meeting to order at 9:00 a.m.

Approval of Minutes of the June 10, 2015 IAC Meeting

Chair Thomas called for a motion to approve the minutes of the June 10, 2015 IAC meeting.

Peter Thor moved to approve the minutes of the June 10, 2015 IAC meeting as drafted.

The motion was seconded by Duke Himmelreich. There was one abstention, Laurence Hale. There being no further discussion, the Chair called for the vote. The motion passed unanimously.

Comments by the Treasurer

Treasurer Denise L. Nappier began her opening remarks by welcoming Deborah Spalding to her new role as Interim Chief Investment Officer (“CIO”).

Treasurer Nappier then announced that after having considered feedback from the IAC and the due diligence process conducted by the investment staff and the Alternative Investment Fund (“AIF”) and the Real Estate Fund (“REF”) consultants, Cliffwater LLC and The Townsend Group, she had decided to proceed with two investments; a commitment of up to \$85 million to ArcLight Energy Partners Fund VI, L.P., a private equity opportunity for the Alternative Investment Fund (“AIF”); and a commitment of up to \$30 million to Covenant Apartment Fund VIII, L.P., a value-add real estate opportunity. She added that both commitments were contingent upon successful negotiation of the partnership documents.

Next, Treasurer Nappier discussed the agenda, and stated that an investment opportunity would be presented for the IAC’s consideration; Clearlake Capital Partners IV, L.P. (“Clearlake IV”), a distressed debt private investment opportunity for the Private Investment Fund (“PIF”).

Finally, Treasurer Nappier discussed the investment performance as of May 31, 2015 for the State Employees’ Retirement Fund and the Teachers’ Retirement Fund.

Update on the Market, the Connecticut Retirement Plans and Trust Funds Final Performance for Months Ended May 31, 2015

Deborah Spalding, Interim CIO, provided an update on the capital market environment, its impact on the performance of the Connecticut Retirement Pension Trust Funds (“CRPTF”) and the economic outlook. Ms. Spalding then reported on the investment performance for the months ended May 31, 2015.

Presentation by and Consideration of Clearlake Capital Partners IV, L.P.

Ms. Spalding provided opening remarks and introduced Clearlake IV, a PIF opportunity. She introduced the PIF consultant to the CRPTF, Kristine O’Connell, Associate of Franklin Park Associates. Clearlake IV, represented by Jose Feliciano, Managing Partner, made a presentation to the IAC.

Roll Call of Reactions to Clearlake Capital Partners IV, L.P.

Messrs. Himmelreich, Thor, Hale, William Murray, Steven Muench, Jan Carpenter and Chair Thomas provided feedback to the Treasurer.

Chair Thomas called for a motion to waive the 45-day comment period. **A motion was made by Ms. Carpenter, seconded by Mr. Hale, to waive the 45-day comment period for Clearlake Capital Partners IV, L.P. There being no discussion, the Chair put the question to a vote and the motion was passed unanimously.**

Short-Term Investment Fund Review as of March 31, 2015

Michael Terry, Principal Investment Officer, reported on the Short-Term Investment Fund performance for the quarter ending March 31, 2015.

Other Business

Chair Thomas invited the IAC members to submit agenda items for the September 9, 2015 IAC meeting.

Executive Session

A motion was made by Mr. Thor, seconded by Mr. Himmelreich that the Investment Advisory Council adjourn the Regular Session at 10:11 p.m. and enter into Executive Session to consider a personnel matter. The motion was passed unanimously. Christine Shaw, Deputy Treasurer, participated in the Executive Session.

Regular Session

Chair Thomas reconvened the regular session at 11:08 p.m. She noted that no votes were taken during the executive session.

Consideration of the Appointment of the Chief Investment Officer

Treasurer Nappier presented her recommendation to appoint Deborah Spalding as CIO. She asked that the IAC consider approving her recommendation.

Chair Thomas asked for a motion to approve the recommendation of the appointment of Deborah Spalding as CIO for the CRPTF effective immediately. She added that a search would commence for the positions of Deputy CIO and for the vacant Principal Investment Officer positions.

A motion was made by Mr. Muench, seconded by Mr. Himmelreich, to approve the appointment of Deborah Spalding as CIO for the CRPTF effective immediately. The motion was passed unanimously.

There being no further business, Chair Thomas called for a motion to adjourn the meeting. **Ms.**

Carpenter moved to adjourn the meeting and the motion was seconded by Mr. Muench.

There being no discussion, the meeting was adjourned at 11:11 p.m.

This meeting was electronically recorded.

DRAFT